increased during the last three years, their percentage to gross advances has declined.

Setting up of FIsBanks in rural areas of Arunachal Pradesh

4175. SHRI NABAM REBIA: Will the Minister of FINANCE be pleased to state:

(a) the details of the steps being taken by Government to set up financial institutionsfoanks in the rural areas of Arunachal Pradesh; and

(b) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) As the Financial Institutions (FIs) mainly deal in financing of industries, they do not have their offices in rural areas of any State including Arunachal Pradesh. However, they have their ZonaVRegionaK Branch Offices in all the States of the country, which caters to the needs of industry both in urbaivrural areas. Commercial Banks open their branches in accordance with policy and strategy decided by their respective board of directors keeping in view yearly business plan, potential for business and profitability of the proposed branches. The new branches are opened with the approval of RBI. As on December, 2000 all scheduled commercial banks are having 56 offices in rural areas of Arunachal Pradesh, out of total of 69 offices.

Reasons for increasing trend of NPA of Banks

4176. SHRI VEDPRAKASH P. GOYAL: Will the Minister of FINANCE be pleased to state:

(a) whether the NPA's are increasing in the Nationalised Banks;

(b) if so, the details of increase during the last three years;

(c) the reasons for increase of NPAs and whether any pattern of course is established;

(d) what concrete steps are being proposed to be taken to prevent further increase in NPAs, reduce the existing NPAs, recover the money lost by banks as bad debts; and